GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

MINES & MINERALS – Inclusion of 'Laterite' as additional mineral in respect of the Mining Lease held by Sri B.Venkata Subba Reddy for Yellow Ochre & White Shale over an extent of 11.00 Acs or 4.452 Hectares in Sy.No.459 of Devamachupalli (V), Chitvel (M), YSR Kadapa District for the unexpired lease period up to 09.12.2029 - Orders – Issued.

INDUSTRIES & COMMERCE (M.III) DEPARTMENT

G.O.MS.No. 18 Dated: 23-01-2017
Read the following:

1.G.O.Ms.No.153, Ind & Com (M.III) Dept, dt.26.06.2009.
2.Govt Memo No.16065/M.III(1)/2012-1, dt.20.09.2013.
3.Lr.No.5288/MS-KDP/2013, dt.19.09.2014 of JDM&G, O/o DM&G, Government of A.P., Hyderabad.
4.From DM&G, GoAP, Hyd File bearing No.17192/R5-2/2007, dt.08.06.2016.

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O R D E R:

In the reference 1st read above, a Mining Lease Yellow Ochre & White Shale over an extent of 11.00 Acs or 4.452 Hectares in Sy.No.459 of Devamachupalli (V), Chitvel (M), YSR Kadapa District was granted in favour of Sri B.Venkata Subba Reddy for a period of (20) years and the same was executed on 10.12.2009 and will be in force up to 09.12.2029.

2. In the reference 2nd read above, Government have accorded permission under Rule 27 (1) of M.C. Rules, 1960 for inclusion of 'Laterite' as additional mineral in the Mining Lease held by Sri B.Venkata Subba Reddy for Yellow Ochre & White Shale over an extent of 11.00 Acs or 4.452 Hectares in Sy.No.459 of Devamachupalli (V), Chitvel (M), YSR Kadapa District and directed the lessee to submit AMP through the Director of Mines & Geology, for the new mineral i.e. Laterite.

3. In the reference 3rd read above, the JDM&G, O/o DM&G, Government of A.P., Hyderabad has approved the Mining Scheme in terms of rule 24 (A) M.C. of Rules, 1960 read with G.O.Ms.No.232, dt.18.04.2001 & G.O.Ms.No.113, dt.08.11.2010 of Ind & Com Dept for the next five years for the period from 2014-2015 to 2018-2019 for Yellow Ochre & White Shale along with progressive Mine Closure Plan including Laterite as additional mineral over an extent of 11.00 Acs or 4.452 Hectares in Sy.No.459 of Devamachupalli (V), Chitvel (M), YSR Kadapa District in favour of Sri B.Venkata Subba Reddy subject to certain conditions.

4. In the reference 4th read above, the Director of Mines & Geology, Government of A.P., Hyderabad has submitted that the ADM&G, Kadapa who inspected the leased area on 22.04.2016 has reported that small portions are covered by the Laterite on western side of the leased area formed as blanket deposit at higher altitude and as per approved Mining plan the Laterite mineral reserves were calculated as 49,885 MTs of Geological reserves, 39,908 MTs of mineable reserves and 32,758 MTs of recoverable reserves after deleting the reserves blocked under safety buffer Zone. The Laterite is termed as Ferruginous Laterite useful as additive in Cement Industry as per the chemical analysis report and there are (5) Cement plants located within proximity distance to the leased area. As such to win the Yellow Ochre & White Shale it is necessary for removal of Laterite and also to carry out the systematic mining operations.

5. The Director of Mines & Geology, Government of A.P., Hyderabad has further stated that the white Shale & White clay are categorized in China Clay/Kaolin in the 2nd Schedule for Major minerals, hence, the minerals Yellow Ochre & White Shale shall be considered as Major Minerals which have not been taken as minor minerals in the notification issued by the GoI vide GSR No.423(E), dt.10.02.2015 wherein, (31) Major Minerals were declared as Minor Minerals. Further stated that the seignorage fee for the additional Minor mineral is applicable as per Schedule-I under Rule 10 of APMMC Rule, 1966 and the dead rent paid shall not be adjusted for the minor minerals included. The DM&G has therefore requested the Govt to include the Laterite as additional Mineral in the existing M.L. held by Sri B.Venkata Subba Reddy for Yellow Ochre & White Shale over an extent of 11.00 Acs or 4.452 Hectares in Sy.No.459 of Devamachupalli (V), Chitvel (M), YSR Kadapa Dist under Rule 27 (1) (b) of M.C. Rules, 1960.

(P.T.O.)

6. Government, after careful examination of the matter hereby order to include the Laterite as additional Mineral in respect of the existing M.L. held by Sri B.Venkata Subba Reddy for Yellow Ochre & White Shale over an extent of 11.00 Acs or 4.452 Hectares in Sy.No.459 of Devamachupalli (V), Chitvel (M), YSR Kadapa District for the unexpired lease period up to 09.12.2029 under Rule 27 (1) (b) of M.C. Rules, 1960.

7. The rates of royalty, dead rent, surface rent and water charges shall be collectable as follows or as revised by the Government from time to time:

I.Royalty:

(a) Zero point five zero percent of London Metal Exchange Aluminum metal price chargeable on the contained aluminum metal in ore produced for those dispatched for use in alumina and aluminum metal extraction.

(b) Twenty five per cent of sale price on ad valorem basis for those dispatched for use other than alumina and aluminum metal extraction and for export.

II. Dead rent:

Rates of dead rent in Rupees per Hectare per annum or as revised by the Government from time to time		
From Second year of lease	Third and Fourth year	Fifth year onwards
200/-	500/-	1000/-

III. Surface rent and water charges: As fixed by Government from time to time.

8. The grantee should execute the lease deed as prescribed under MM (D&R) Amendment Act, 2015.

9. The grantee should pay necessary deposit amounts as prescribed under the existing Rules before the lease is actually executed.

10. The terms & conditions referred to in para (7) of this order are subject to such further modifications, additions and alterations as may be ordered before the lease deed is executed.

11. The Director of Mines & Geology, Government of A.P., Hyderabad shall take necessary further action for the execution of Lease deed after satisfying himself that the grantee fulfills all the required provisions of the amended Act & Rules. As soon as the Lease deed is executed, the date of such execution should be reported to the Government.

Note: the grant is liable to cancellation, should it be found at later date that it was grossly inequitable or was made under a mistake of fact or owing to misrepresentation or fraud in excess of authority.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

B.SREEDHAR
SECRETARY TO GOVERNMENT (MINES)

To,
Sri B.Venkata Subba Reddy,
S/o Penchala Reddy,
Polapalli, H/o Malemarpuram (V),
Chitvel (M),
YSR Kadapa District. (By RPAD.)
The Director of Mines & Geology, A.P., Vijayawada. (with file)

Copy to:

The Zonal Joint Director of Mines & Geology, YSR Kadapa District.
The Assistant Director of Mines & Geology, Kadapa.
The District Collector, YSR Kadapa District.
Secretary to Government of India, Ministry of Mines, Sastry Bhavan, New Delhi – 110 001.
The Controller General, Indian Bureau of Mines, Indira Bhavan, Civil Lines, Nagpur – 440 001.
The Director General of Mines Safety, Dhanbad, Bihar.
The Regional Controller of Mines, Indian Bureau of Mines, Room No.603, 6th Floor, CGO Towers, Kavadiguda, Secunderabad – 500 080.
SF/SC.

//FORWARDED:: BY ORDER//

SECTION OFFICER